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SUBJECT: (Optional)			
		NO. Ref: DCI/ICS-86-0850	
		DATE 8 July 1986	
TO: (Officer designation, room number, and building)	DATE		OFFICER'S INITIALS
	RECEIVED	FORWARDED	
1. DDA 7D-24 Headquarters	9 JUL 1986		(FM)
2.			
3. DDCI 7D-6011 Headquarters	9 JUL 1986		g
4. <i>Sec</i>	10 JUL 1986	10 JUL 1986	✓
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COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

The release or leakage to [redacted] of my internal memo is very disturbing. The last two paragraphs obviously and understandably offended [redacted]. This is most regrettable because, in fact, I very much appreciate the tremendous obstacles that [redacted] faces in fashioning a semblance of a consensus draft.

In light of his memo to you, I'm compelled to clarify three basic points:

1) The implication that the views expressed in my memo to you were a surprise to him. My staff and I have had substantial communication with [redacted]. A 23 May 1986 memo (attached) pulls no punches in expressing to him my concerns about a number of issues.

2) That my position on the SCI vs TS clearance standards is "hands off." This is just not true. As you can see in my comment to him (p.4, middle paragraph), my position simply stated is that we need to research the significance of the information lost by reducing the 15-year-scope background before a decision is made to do so. I think this is a reasonable and prudent position.

3) On the issue of my attending WG meetings- I have attended 6 of 9 meetings. One miss was the result

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ATTACHMENT

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ROUTING AND RECORD SHEET

SUBJECT: (Optional)

Comments Regarding Draft Section 6B dated 2 May 1986 - MEMO TO

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FROM:

NO.

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DATE

22 May 1986

TO: (Officer designation, room number, and building)

DATE

OFFICER'S INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

		DATE		OFFICER'S INITIALS
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Hand Carried 23 May 86 by Eric.

US REGISTRY
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S E C R E T

23 MAY 1986

MEMORANDUM FOR: Chairman, SIG-I Working Group

FROM:

[redacted]
Director of Security

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SUBJECT: Comments Regarding Draft Section 6B
dated 2 May 1986

1. The following comments are keyed to the page numbers in referenced draft. To permit discussion of subparagraphs, which are preceded by a dash in the draft, such subparagraphs are referred to below as "tics". [redacted]

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Page 11:

Third tic - Rather than discuss allocation at this time, it is suggested that the draft merely address the most important point; that the STU-III is an important device for both civilian and military applications and its development and allocation must be accelerated. [redacted]

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Page 14:

Add to the end of the first paragraph which began on page 13 - CIA retains more stringent TEMPEST standards in domestic applications due to its view of the threat and the sensitivity of the information at those facilities CIA chooses to protect. Cost effectiveness is ensured by customizing each installation and permitting alternatives such as [redacted]

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Page 16:

Second tic - Replace first sentence with, "The SIG-I should establish a mechanism for reviewing the Community R&D effort to ensure proper coordination of Community activities with other U.S. Government programs and individual and joint agency programs, and assess the pros and cons of consolidation." [redacted]

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[redacted]

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Last paragraph - While the "orange book" has considerable merit, particularly in forcing vendors to meet computer security standards, it falls short of being either an adequate "government-wide guideline" or accepted as such outside DoD. It is suggested that this paragraph recommend that the National Manager place priority on the development of both government-wide guidelines as well as interagency coordination and support for the development of appropriate local guidelines and standards. ☐

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Page 23:

Last tic - This tic and the one which follows on page 24 are technical security items, not physical security items. ☐

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Page 34:

First tic - Per discussion at the meeting on 9 May, we understand this refers to accountability, such as receipting, only when a document is moved from one agency to another or, possibly, from one component to another. The language of this recommendation should be more explicit. ☐

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Page 40:

Last paragraph - Insert "With the exception of SCI," prior to "There are no government-wide standards for background investigation...". ☐

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Page 41:

First paragraph - This may be an appropriate place to mention the value of reinvestigation processing at key career stages, such as after the first three or so years. At the meeting, we mentioned CIA's trial period processing as an example of the benefit which can be obtained from this sort of timely reinvestigation. ☐

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Last paragraph - in the last sentence, change "federal" to "accessed". ☐

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Page 42:

A general comment regarding the draft's detailed reference (be it in the form of requirements, recommendations or just suggestions) to the content of the new E.O. on personnel security standards: The NSDD-84 Working Group was chartered under the Presidential Directive to develop the new E.O. At key points, the Chairperson of the NSDD-84

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Working Group has consulted with the NSC staff. To impose substance or direction beyond that already provided for in NSDD-84 and that received from the NSC staff may be inappropriate from a procedural standpoint, and risks diluting the accuracy and utility of the product. A general statement provided by the NSDD-84 Working Group would serve to replace pages 42 through 47 and some related comments on later pages.

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Page 43: (Notwithstanding the above, the following comments are provided on the personnel security section) []

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Second tic - "...of the personal history statement--by appropriately trained supervisory or security personnel of the requesting agency." []

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Third tic - At the present time there are significant differences between Top Secret and SCI in both their quantities and in the ways in which they are handled and controlled. In the early years, the greater protection for SCI was seen as valuable due largely to the sensitivity of the information. As SCI proliferated, many of the audit trail, receipting and distribution protections were relaxed so that the great volume of SCI could be handled expeditiously. Also weakening the security of SCI was the greater and greater numbers of people who were permitted access to it. These erosions made it all the more important that strong pre-screening be employed to compensate for the lowered procedural security. On the other hand, Top Secret information is less in quantity, less widely distributed and more rigidly controlled by individual receipt and audit trails. []

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As you know, the 15-year scope does not apply to all aspects of the background investigation (BI). For example, it is applied at CIA to verification of employment (interviews with co-workers are required only to 10 years); most significant education; financial matters such as bad credit, bankruptcy, etc.; criminal history; and to the requirement that references covering the 15-year scope be interviewed to establish bona-fides and to provide details which can indicate behavioral trends and other pertinent information. These are very important aspects of a good quality BI, and with the exception of the employment checks, require little extra investigative effort.

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It is of particular concern that no research or other reliable evidence has been cited to suggest that the scope should be reduced at this time. Neither have we seen evidence that reduction of scope offers cost savings greater than other less risky measures, such as reducing the numbers of SCI accessed persons, eliminating stockpiling of clearances and many other excellent initiatives contained in "Keeping the Nation's Secrets" and other recent studies. There is, on the other hand, existing research which indicates the likelihood of significant losses of operant derogatory information if the scope is reduced. Unfortunately, the loss of this information cannot be compensated for by other means at present. The very limited scope polygraph examinations of the kind which might be applied by DoD to SCI access are not a full substitute and are so limited in their numbers that they fall short of being a satisfactory quid pro quo for reduced scope BIs. []

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Because the current research base (principally the 1980 SECOM study) concerning the utility of various aspects of investigations is over 7 years old, and because it was not designed to answer many of today's questions, we believe that a first priority for personnel security research should be to update and expand our understanding of these issues. Armed with better data, we can look for a variety of ways to do more with less, among these, consideration of reduction in scope of various aspects of the BI. []

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Page 44:

First tic - Delete. The meaning of this recommendation is unclear. The present system seems to accommodate this recommendation: For the purpose of some detailees, paid by the host agency, and for new clearance actions based on prior investigations, the investigations are accepted but are subject to updating or expansion depending on the needs of the requesting agency. This should not change; there are considerations other than level of classification which enter into an adjudicative or access determination. For the purpose of certification of clearances, both investigations and adjudications are accepted without review. []

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Second tic - Regarding pre-condition for access - The qualifier is an inadequate description of the reasons for the determination. It is recommended that the tic read, "That a pre-condition for access determination be the availability of sufficient information to provide a positive security determination." []

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Third tic - Adjudicative decisions are based on a variety of discretionary factors, such as the environment in which the individual will work, the nature of the access, the peculiar type of information being accessed, the "whole person", etc. This recommendation gives the false impression that uniformity and commonality equate to fairness and good security. In fact, uniformity would be fair only in adjudicating the most extreme (good and bad) cases. It is suggested that this recommendation be changed to read, "That guidelines be developed to assist agencies in making more accurate discretionary judgments in the adjudication of security clearances. While recognizing varying security considerations and mitigating factors, such guidelines should include mention of the types of misconduct which categorically disqualify and thus result in denial or revocation of security clearance."

Fourth tic - Mandatory training would not be cost effective for agencies having an in-house capability. Such basic training would require considerable local supplementation in any event. Suggest that the recommendation be reworded to make training available, but not mandatory.

Page 45:

Fourth tic - Delete SCI. Place period after "prescribed" in second line. (The last part is undue detail) ☐

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Fifth tic - Delete SCI. Change 1990 to 1992

Page 46:

Second tic - Change first sentence to read, "That polygraph examinations be employed, as agency heads may prescribe and as permitted by applicable law, to supplement other investigative measures". Delete remainder as it is unnecessary and may be considered pejorative. ☐

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Third tic - The meaning is unclear. ☐

25X1

Fourth tic - Whether or not this is to be included should be up to the NSDD-84 Working Group. ☐

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Page 47:

First tic - Notwithstanding the newly formed PERSEREC, it is more reasonable that OPM should be asked to be Executive Agent for behavioral science research. ☐

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Paragraph following first tic - Delete as unnecessary detail. ☐

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Title, "Special Access Programs" - Change title to, "Crypto, SCI and Special Access Programs". Delete the word, "other" in line 7. ☐

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Page 48:

Second tic - Delete "for counterintelligence purposes" from last line.

Third tic - Delete or reword to note current proposed NSDD on this topic. ☐

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Fourth tic - Delete. This is a new topic, not previously discussed by the Working Group. This implies a huge and complex undertaking which should be given further study. ☐

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Page 49:

Last paragraph - What is needed is a general statement that we are looking for ways to reduce the number and level of clearances and accesses. This paragraph should be reworked as it contains two flaws. First, the NSDD-84 Working Group may or may not decide to include specific procedures for validating need to know. Second, SCI is a poor example of the benefit of billets. In practice, SCI is capped only by the number of SCI programs and the number of people assigned to each program; this is not true billeting. Within a discrete organization having a variety of access levels, such as DoD, true billeting can be accomplished as a formalization of need to know and as a management tool in identifying the numbers of positions requiring TS access. On the other hand, at CIA there are so few positions which could be insulated from TS access that it is neither cost nor security effective to try to to establish billets. ☐

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Page 50:

First tic - This may or may not be practical; in any event, it should not be included here as an item to be imposed upon the NSDD-84 Working Group. ☐

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Second tic - Delete. This is not sufficiently explained but should, in any event, be at the discretion of the NSDD-84 Working Group. ☐

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Page 53:

Regarding (c) - This should be reworded per CIA and NSA comment. ☐

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Page 54:

Second tic - Delete the word, "organic."

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Page 59:

First tic - Per discussion, delete parenthetical.

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2. I would urge that, wherever possible, details, ambiguities and contentious or narrowly scoped recommendations be summarized in the form of general statements which can be more easily understood as descriptive of structure, intent and direction. As the document currently stands, I am concerned that it contains too much detail and too many recommendations to serve as a Presidential document.

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!OS:PPS/EO/OS: (19 May 86)!

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!Distribution:!

! Orig - Adse!
! 1 - D/S Chrono!
! 1 - PPS Chrono!
! 1 - C/PB Chrono!
! ① - OS Registry!

S E C R E T

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ROUTING AND RECORD SHEET

SUBJECT: (Optional)

FROM:

DCI/ICS-86-0850

DATE

2 July 1986

TO: (Officer designation, room number, and building)

EO 7/ *mu*

DATE

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INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

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Director of Security/CIA

7 JUL
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DCI/ICS-86-0850

2 July 1986

MEMORANDUM FOR: Chairman, SIG-I

FROM: [REDACTED]

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SUBJECT: Professional Integrity

1. On 26 June, someone finally had the courtesy to show me the attached memorandum. Please note that it is dated 23 May; that it concerns the report whose drafting you asked me to oversee; and that it contains a number of comments which are professionally disparaging of the undersigned. Given the memorandum's routing and the absence of any commentary, I must assume that the senior echelons of the Agency and the Community Staff believe [REDACTED] points are an accurate summary of the state of affairs. They are decidedly not.

2. Item: [REDACTED] report, not a Presidential report. Patently ludicrous! The draft of the main report and of the abbreviated version will be reviewed by the several IGs and their comments will be reflected in what is served up to the SIG-I for further review/modification/approval. You will determine what goes forward to the White House via the NSC Staff. But the start point must be a strawman to shoot at.

3. Item: [REDACTED] is unilaterally determining the report content. Incorrect. The draft report is faithful to the outline (15 pages long) which was reviewed and approved by the WG. Based on input (tasked to various agencies and, for the most part, inadequate) I undertook, by default, the preparation of the strawman, consulting members of the WG frequently for needed elaboration. As sections were drafted, they were circulated to the WG members (and others) for comment. When meetings were required to discuss sections, meetings have been convened. The main counterintelligence section is endorsed, in toto, at the level of Messrs [REDACTED] and [REDACTED]. To be sure, the "for comment" draft to be circulated to the IGs will not have accommodated every comment of every agency in the countermeasures area; I have exercised the judgement you have reason to expect of me. But I must say that CIA's comments have fared well throughout (except in one area as discussed below). Not surprisingly, there are several points on which the Community is sharply divided and the SIG-I will have to grasp the nettle--which is its vested responsibility.

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4. Item: The countermeasures section has a decided DoD tilt. So? The gross estimate is that 85% of the total executive branch activity is in DoD; DoD did an extensive review last year and called a spade, a spade. SecDef accepted and published the report, and has directed implementation of more than 55 of the 63 recommendations flowing from that review. The Select Intelligence Committees concluded that most recommendations were appropriate for the Executive Branch as a whole. The IG/CM has also endorsed many of the recommendations for general adoption.

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5. Item: [] has communicated his views to [] Incorrect. The record will show that at no time during the past five months has [] ever initiated a call to me or sought me out to discuss the concerns reflected in his memorandum. Had he done so, there would be no reason not to drop me a copy. There was one comment, in a memo signed by his deputy [] about too many recommendations. The record will also show that [] has not seen fit to attend the last several WG meetings. Since I believe in open communication, he shall have a copy of this rejoinder, concurrent with its delivery to you.

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6. [] memorandum boils down to two substantive points, one general and one specific. The first lends credence to a perception that the non-intelligence countermeasures community has about Agency attitude: "hands off" anything relating to CIA and SCI; while, conversely, CIA has full rein to critique the non-CIA and non-SCI world. (This is why an empowering NSDD is essential if the revised SIG-I directive is to be given more than cursory attention.) The second has to do with any comment which would suggest that there is room for improvement in the CIA/SCI personnel security area (except more \$), and, in particular, the thought that efforts should continue to bring SCI and TS investigative scopes into closer alignment (apparently [] is not aware of the DDCI's views on this subject).

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7. I did not seek this assignment. You asked for and received my assent because we both know that it would otherwise be difficult to find someone to take on such an onerous--but nonetheless essential--task.

Attachment:
a/s

cc: DDCI
DDA
D/OS
Dep Sec Def

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S E C R E T

23 MAY 1986

MEMORANDUM FOR: Deputy Director of Central Intelligence

VIA: Deputy Director for Administration

FROM:

Director of Security

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SUBJECT: Problems with Draft SIG-I Working Group Report

has submitted for review a draft of the "Plans for Enhancement" section of the President's report to Congress on counterintelligence and security. Listed below are views we presented to the Working Group on three issues fundamental to the proper and successful conduct of CIA's security program. However, counterintelligence, particularly from DoD, have tended to obscure our position.

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Common Scope for Top Secret and SCI

DoD has repeatedly proposed that the scope of investigative coverage for SCI be reduced from 15 years to some shorter period; CIA has repeatedly resisted this. By reducing the scope, DoD hopes to realize some cost savings. However, the unique nature of SCI, its sensitivity and its fragility, and the special and statutory responsibilities of the DCI to protect it, militate against the DoD position.

The greater scope of investigative coverage for access to SCI is designed to compensate for its proliferation and its relatively lax document control (as compared to the more limited distribution and strict accountability of Top Secret information). A 1980 SECOM study indicated that small, but significant, amounts of noteworthy information would be lost if the investigative scope were to be reduced to even 10 years. However, we recognize the need for current research regarding the cost and utility of various aspects of our investigative process. Such research would allow us to participate in meaningful discussions with DoD and others on this subject. Until such research is completed, however, the Office of Security is strongly opposed to any reduction in the pre-screening protection currently afforded SCI.

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Preempting NSDD-84 Working Group

The draft report contains several pages of recommendations and statements which would, in effect, impose direction and substance on the Working Group which was chartered by Presidential directive (NSDD-84) to prepare a new Executive Order on personnel security. Many of these recommendations and statements contain inaccuracies and elements which are either unacceptable to CIA, and other agencies such as OPM and DOE not represented on the [] Working Group, or which require further study before being considered as something to be mandated. We also object in principle to preempting the prerogatives of a properly chartered and expert interagency group. We believe this detailed section should be replaced with a general statement to be provided by or coordinated with the NSDD-84 Working Group. []

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Restrictions on the Scope of Polygraph Testing

In the draft and in virtually every document we have seen from DoD which mentions polygraph testing, the phrase, "counterintelligence-scope polygraph" is used. We are concerned that continual use of this phrase as a general description of polygraph testing may eventually result in a universal perception that such limited testing is the only proper and permissible kind. This could adversely affect the CIA polygraph program in future years and could make it extremely difficult for other agencies to implement expanded polygraph programs if they chose to do so. This very problem was recognized by the NSDD-84 Working Group which decided to avoid such restrictive language. Where applicable, we have offered the alternative language, "polygraph testing as deemed appropriate by the agency head and in compliance with applicable law and regulation." []

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General Comments on the Working Group Paper

In addition to the above major points, I am disappointed by the overall scope and utility of the [] product. The Working Group met for long hours over the course of many weeks, deliberating pertinent issues and gathering and refining information. We expected this information to be distilled into a concise "Presidential" statement of basic functions, accomplishments, shortfalls and issues, plus policy and program direction for the 1980's.

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Instead, the report is emerging, not as a distillation, but as an expansion of the Working Group's efforts with a decidedly DoD tilt flavored strongly with what appear to be [] own views. As an expansion, it contains new issues which have not been adequately discussed and presents some contentious issues in a way which improperly implies interagency agreement.

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Also, as an expanded document, the report no longer pretends to be "Presidential". We understand that [] intends to forward the report with a covering memorandum of endorsement for the President's signature. Because the report is so overly detailed and contains many recommendations, some of them controversial, ambiguous or premature, I believe it will cause more harm than good if it is provided to the Congress without considerable pruning. I am advising [] of my concerns but he has made it quite clear that he is committed to the present scope and thrust; I expect only token concessions as the draft is finalized.

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DCI/ICS-86-0850

2 July 1986

MEMORANDUM FOR: Chairman, SIG-I

FROM

[Redacted]

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SUBJECT: Professional Integrity

CCISCMS/ICS:

[Redacted]

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Distribution (w/att as shown)

- 0 - Addee
- 1 - DDCI
- 1 - DDA
- 1 - D/OS
- 1 - DepSecDef
- 1 - CCISCMS Subject
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- (bcc:1-ER
- 1-ICS Registry)